



**WALLICK  
INVESTMENTS, LLC**

RIA ■ Strategic Moral Investing

# Investment Management Overview

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# WALLICK INVESTMENTS, LLC

RIA ■ Strategic Moral Investing

Founded in 2005, nationally-ranked Wallick Investments is a registered investment advisory firm, specializing in building and managing equity investment portfolios for individuals (IRAs, joint, individual, trusts), institutions (corporate pensions, 401ks, foundations, endowments) and other non-affiliated advisors, including RIAs, CPAs, attorneys and financial planners.

We offer a full complement of competitive investment solutions including diversified stock portfolios, bond portfolios and, as appropriate, non-correlating assets to hedge against volatility, inflation, and market declines. We design and manage separate account portfolios using thoroughly researched proprietary processes that are repeatable, systematic, unemotional and have stood the test of time. Furthermore, we manage an institutional index based on our WI Fidelis methodology—WIFidelisIndex.com

Our equity portfolios consist of stocks, and/or Inspire Investing's Fidelis ETF [NYSE: FDLS] which is based on our WI Fidelis Index investment methodology, not mutual funds or products managed by other third party managers. Both strategic and tactical asset allocation, as well as security-selection decisions, are based on "factors" which have significant academic support and have been effectively implemented by some of the world's most successful investors.

Wallick Investments is fee-only. We receive neither commissions nor any other compensation from broker-dealers or product providers such as mutual funds or insurance companies. We do, however, receive licensing fees from companies offering investment products based on our WI Fidelis Index methodology.

Clients have direct access to the portfolio managers who welcome investment management and security-selection questions.

*Reducing overall fees by offering separate accounts directly to investors.*

**Our investment services provide our clients with the trust and confidence to focus on that which is most important to them.**

Call us at 803.699.9400 or visit



**WallickInvestments.com**

# Why Wallick Investments?

**We are evangelist for faith- and factor-based investing and dedicated to professional excellence, integrity and consistent results.**

## Professional excellence

- We are career portfolio managers with over 50 years combined experience. We have successfully navigated economic expansions and recessions, as well as bull and bear markets.
- We are focused. Investing is our only business.
- We stay informed of the latest research concerning faith-based and quantitative factor-based investing.
- We accept fiduciary responsibility and uphold the Chartered Financial Analyst® (CFA®) Institutes' Code of Ethics and Standards of Professional Conduct.
- We regularly review our performance against benchmarks— our WI Fidelis Index as well as our peers (see our quarterly Portfolio Review & Commentary at WallickInvestments.com).

## Integrity

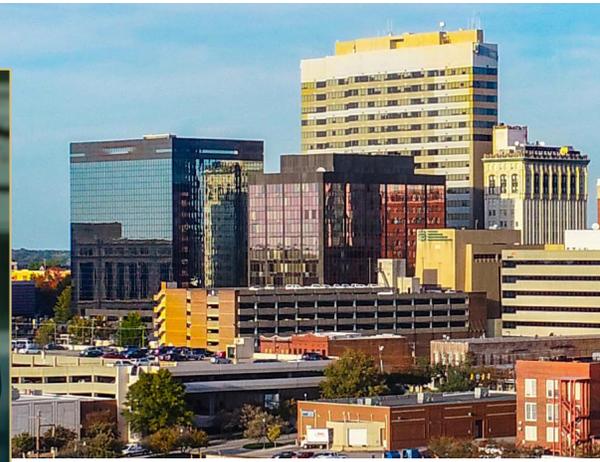
- We place our clients' interests ahead of our own. Everything we do is because we believe it is best for our clients. Potential conflicts of interest are avoided or fully disclosed.
- Our fee schedule is fully disclosed and easy to understand (see page 20).
- We invest our personal assets alongside our clients' in our recommended portfolios.
- The first step in our stringent security-selection process is to screen companies based on their moral and ethical practices.
- We report performance relative to similarly allocated benchmarks to clearly show where we are adding value (see our sample Performance Review, page 19).

## Consistent results

- Our performance has been consistently highly ranked against a universe of our peers: Morningstar®; Evestments; PSN; and Money Manager Review.

*Our success is measured by outperformance against our industry peers and similarly allocated benchmarks— adding value, net-of-fees, greater than what can be earned investing in passive cap-weighted index funds.*

*Visit our website for Morningstar® performance.*



## Our team

Wade Stinnette, Dan Wallick, Susan Wallick and Jake Wallick

### **Daniel Wallick** **Managing Partner ■ Chief Investment Officer**

Daniel Wallick is a 1991 Phi Beta Kappa Honors graduate from the University of South Carolina with a degree in Finance and Economics and post-graduate work in accounting. His career experience includes accounting and management at Blue Cross and Blue Shield of South Carolina, and brokerage at Merrill Lynch and South Carolina Bank and Trust. In June of 2005, he launched Wallick Investments, LLC in Camden, SC, moving in 2006 to Wildewood Business Park in Northeast Columbia and in 2018, to downtown Columbia. Dan is active in the church, former chair of the South Carolina Christian Chamber of Commerce in Columbia and serves on the investment committee for the Roman Catholic Diocese of Charleston. He enjoys spending time with his wife Susan and their growing family: Jacob, Samuel, Zachary, his wife, Hannah and granddaughter, Maeve. In addition to investment research, his hobbies include: running, reading, fishing, tennis and golf. Dan is a member of the Chartered Financial Analyst® Institute.

**[DanWallick@WallickInvestments.com](mailto:DanWallick@WallickInvestments.com)**

### **Wade Stinnette** **Principal ■ Senior Portfolio Manager**

Wade Stinnette is a 1980 graduate with distinction from the Virginia Military Institute with a Bachelor of Science degree in Chemistry and served six years as a Commissioned Officer in the United States Marine Corps. He has been working with investment clients since 1986 and has extensive experience building investment portfolios, implementing investment plans, monitoring asset allocations, rebalancing portfolios, and providing on-going communications regarding investment results, outlook, and strategy. Prior to joining Wallick Investments, Wade served in various capacities within boutique investment firms, such as Tanglewood Asset Management and The London Company, and at bank asset management departments including Certus Wealth, First Citizens and Wachovia. He is a past Secretary and Treasurer of the CFA Society of SC and has served on the boards of directors of several non-profit organizations. Wade enjoys spending time with his family, gardening, hunting, fishing, and volunteering at his church and in his community.

**[WadeStinnette@WallickInvestments.com](mailto:WadeStinnette@WallickInvestments.com)**



**Columbia, SC  
Corner of Lady and Main  
Suite 810**

**Jacob D. Wallick, CFA**  
**Portfolio Manager ■ Managing Director, Wallick Institutional**

Jake Wallick, a CFA® charterholder, is a 2016 honors graduate from The University of South Carolina's Darla Moore School of Business with a degree in Finance and Management, and directed study in Biology. While at USC, he was Japan Club treasurer and an active participant in the student led Carolina Fund. His career experience includes working as a financial analyst intern with Wallick Investments and as a transaction accountant supporting global markets with Deutsche Bank Corporate Finance Department in Jacksonville, FL. In July of 2017, Jake joined Wallick Investments formally. He is an Eagle Scout and passionate about nutrition and exercise. He enjoys camping, chess, swimming, running, sailing, soccer, keeping up with friends, and spending time with family.

**[JakeWallick@WallickInvestments.com](mailto:JakeWallick@WallickInvestments.com)**

**Susan H. Wallick**  
**Principal ■ Director, Marketing and Communications**

Susan H. Wallick is a 1991 Bachelor of Arts graduate of the University of South Carolina with a concentration in Graphic Design. Her career began as graphic designer for Lutheran Theological Southern Seminary where the Alumni magazine was winner of the Associated Church Press Best of Class Award of publications for six consecutive years and Best in Class for Graphic Design. In 1999, she launched her freelance design firm, Salinity Art and her accounts included: Ben Satcher Ford Motors, Lexington Medical Center, Sporting Classics Magazine, Garage Tek, Richland School District Two and Heathwood Hall Episcopal School (whose newsletter, *The Highlander*, received the 2006 and 2009 Silver Wing Award presented by the SC Public Relations Society of America). Formally joining Wallick Investments in August of 2013 and later becoming a partner in 2017, her chief responsibility is design and communications. Susan enjoys cheering on the University of South Carolina with Dan and her Mom and Dad (also an alum), where sons, Jake, and Zach (now a USC PhD student) and his wife, Hannah, also earned their degrees, and where youngest son, Samuel, attends Honors College majoring in Accounting. Susan enjoys artistic projects and entertaining granddaughter, Maeve.

**[SusanWallick@WallickInvestments.com](mailto:SusanWallick@WallickInvestments.com)**



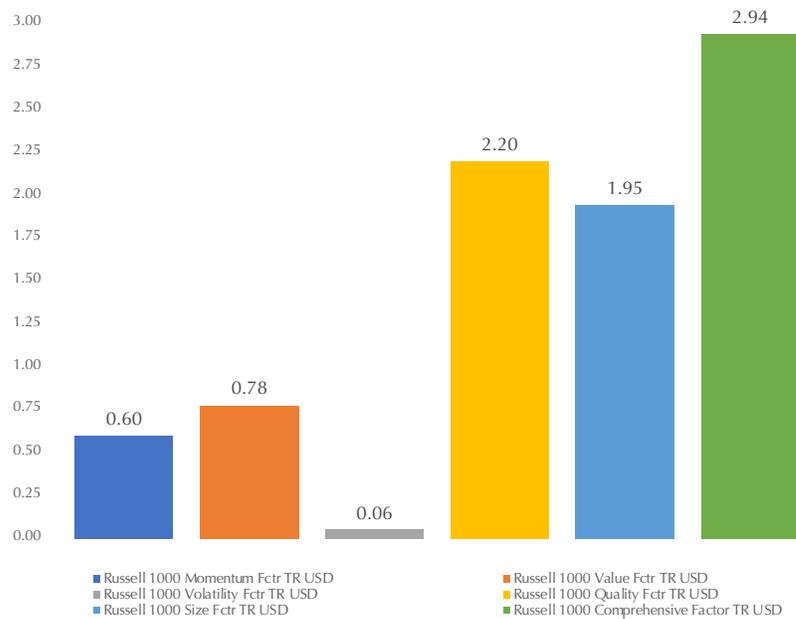


# What is factor-based investing?

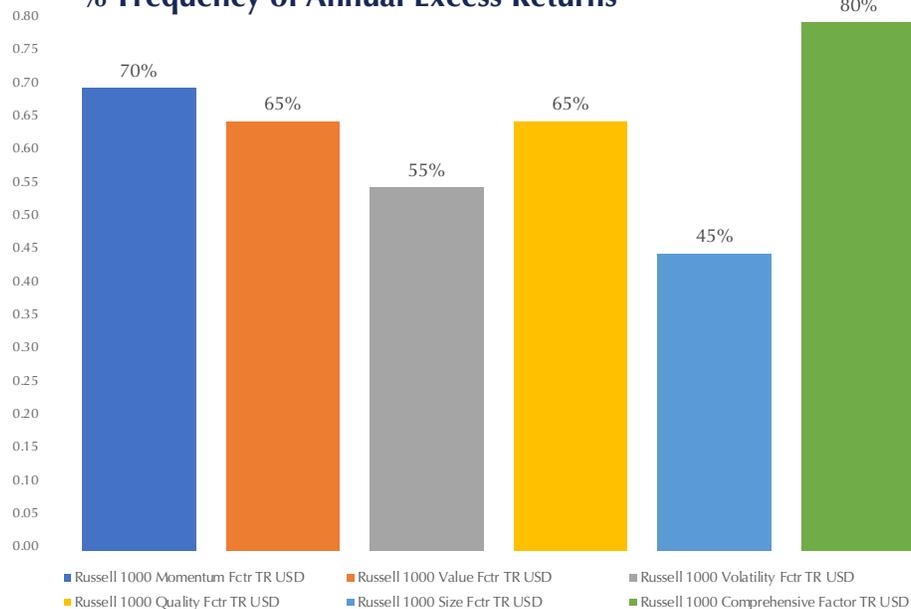
Factor-based investing is a quantitative, disciplined process for selecting stocks for inclusion in a portfolio based on pre-defined factors or characteristics that have shown evidence of adding excess risk-adjusted return.

2002 to 2016 return data based on FTSE Russell Methodology document. 2017 to 2021 return data based on Morningstar FTSE Russell indices. Information is believed to be reliable but is not guaranteed.

**Russell 1000 Factor Excess Returns 2002 to 2021**



**% Frequency of Annual Excess Returns**



# Why factor-based investing?

## 1. Potential excess returns

Close to 3% average annualized excess return over market-cap weighted indices from 2002–2021 (see top chart left).

## 2. Potential improved consistency

Outperformance near 80% of calendar years 2002–2021 (see bottom chart left).

## 3. Research lauding the benefits of multi-factor based investments

Links to several articles from firms such as Research Affiliates, BNP Paribas, S&P Dow Jones, JP Morgan, Robeco Asset Management and Blackrock are available at [WIFidelisIndex.com/research](http://WIFidelisIndex.com/research). Also, James O'Shaugnessey's 1996 book "What Works on Wall Street" provided early foundational exposure to factor-based investing.

## 4. Rise in popularity

We have identified 6 peer indices with what we consider a similar material allocation to small- and mid-cap companies.

- Hartford Multi-factor US Equity Index
- Russell 1000 Comprehensive Factor Index
- JPMorgan Diversified Return US Eq Index
- Morningstar US Market Factors Tilt Index
- MSCI Multifactor USA Index
- Wisdom Tree US Multifactor Index

## 5. Rise in assets under management in factor-based products

According to ETFGI's Insights, assets in factor-based ETFs had risen to \$1.24 trillion in 2021 and have grown at an average compounded growth rate of over 30% over the previous 5 years. According to Statista, of the over 350 institutions and advisors surveyed, 64% said they had more than 10% of their assets in factor-based ETFs— up from 51% in 2020.

## 6. Wallick Investments' experience

Our Fidelis separate account composite has consistently ranked highly against peers in the Morningstar separate account database, receiving a 4 or 5 Star Morningstar Overall Rating 80% of reported periods and never less than 3 Stars. For details, visit our website: [WallickInvestments.com/morningstar](http://WallickInvestments.com/morningstar)

Please note: *Although the factors and weightings are similar, there is not a one-to-one correlation between our separate account composite and our Index. Investors cannot be guaranteed the same performance.*



# Index management

## The Fidelis Index selection process:

### Universe of stocks (~9,100)

### Narrowed universe (~800)

- Inspire Impact Scores 0 or higher
- \$250+ million market cap
- not bottom 20% V, G or M
- top 60% combined VGM

### Factor inputs

- Momentum
- Quality
- Value

### Fidelis Scores

### Fidelis' 100 holdings

We start with the universe of securities listed on major US stock exchanges, approximately 9,100 but then narrow the list to those that:

- have a positive Inspire Social Impact Score (faith-based screening: [Inspireinvesting.com/inside-the-inspire-impact-score](https://www.inspireinvesting.com/inside-the-inspire-impact-score))
- are not limited partnerships or state-owned
- have a market cap of +250M or more
- are not in the bottom 20% for Value, Growth or Momentum (VGM), and
- are in the top 60% for expected earnings surprise and for combined VGM

This leaves about 800 stocks.

From here, percentile scores for each stock are calculated for each sub-factor listed on the Factor Input Table. The final Fidelis Score is the aggregate sum of each factor percentile score multiplied by its predetermined weight listed on the Factor Input Table.

# Factor Input Table

Momentum 33% (including EPS Strength)		Quality 34% (including Profitability, Financial Health and Growth)		Value 33% (including Volatility and Dividend Yield)	
12-Month Relative Strength (15%)	Current Year Revision Trend last 4 weeks (3%)	Inspire Social Impact Score (5%)	Current Ratio (2%)	Current Dividend Yield (8%)	Price to Book Value divided by Estimated 3-5 year Growth Rate (3%)
3-Month Relative Strength (6%)	Current Year Revision Trend last 12 weeks (2%)	Enterprise Value / EBITDA (3%)	Quick Ratio (2%)	Average Consensus Value vs. Price (5%)	Price to Cash Flow divided by Estimated 3-5 year Growth Rate (3%)
Latest Quarter Earnings Surprise (3%)	Expected Earnings Surprise (1%)	Return on Invested Capital (ROIC) (3%)	Sales Growth Year over Year (2%)	Price to Sales divided by Estimated 3-5 year Growth Rate (5%)	5 Year Beta (3%)
Last Quarter Earnings Surprise (3%)		Free Cash Flow / Market Cap % (3%)	Earnings Per Share (EPS) Growth Year over Year (2%)	Price to Earnings divided by Estimated 3-5 year Growth Rate (3%)	2 Year Beta (3%)
		Return on Assets (ROA) (2%)	Net Income Growth 1 year (1%)		
		Return on Equity (ROE) (2%)	Sales Growth 1 year (1%)		
		Profit margin (2%)	EPS Growth last 5 years (1%)		
		Debt to Equity (D/E) (2%)	P/B Growth last 5 years (1%)		

Key  
 > .05  
 = .05  
 = .03  
 = .02  
 = .01

From the stocks within the top 20% for market capitalization, 40 stocks with the highest Fidelis Scores are chosen, subject to sector and industry constraints. Please see our Sector and Industry Diversification chart below. Finally, the next 60 stocks, regardless of market cap, with the highest Fidelis Score subject to the industry and sector constraints are then added to complete the list of constituent stocks. **The WI Fidelis Index is rebalanced and reconstituted quarterly, which means the holdings are reset every quarter to what we believe is the best combination of 100 faith-based multi-factor securities.**

## Sector and Industry Diversification

Sector	# of Stocks	Minimum # of Industries
Basic materials	4	2
Business services	4	2
Technology and communications	27	7
Consumer discretionary (including autos and transportation)	6	3
Consumer staples	4	2
Energy	8	3
Financial (including real estate)	16	6
Medical	12	4
Industrial (including aerospace, conglomerates and construction)	11	6
Retail	5	3
Utilities	3	2
<b>11-18 Sectors</b>	<b>100 Stocks</b>	<b>40 or more Industries</b>

For details on our WI Fidelis Index investment methodology, see our methodology guidelines at Solactive.com.

# Why would the WI Fidelis Index be used to benchmark performance instead of one of its peers?

WI Fidelis Index integrates the Inspire Social Impact Score (see page 18) and has more comprehensive multi-dimensional diversification than peer indices (see below) including: 31 sub-factors, 11–18 sectors, over 40 industries, minimum and maximum allocation to large-cap, and maximum allowed allocation to international.

## Peer Comparisons

Index / Product Provider	# Value factors	#Quality factors	#Momentum factors
Hartford Multi-factor US Equity Index / Hartford	5	1	2
Russell 1000 Comprehensive Factor Index / DB Xtrackers	3	6	1
JPMorgan Diversified Return US Eq Index / JPM	4	10	1
Morningstar US Mkt Factors Tilt Index / Northern Trust FlexShares	5	0	0
MSCI Multifactor USA Index / Blackrock iShares Edge	5	7	3
Wisdom Tree US Multifactor Index / Wisdom Tree	8	8	2
<b>Average of 6 Select Multi-factor Indexes</b>	<b>5</b>	<b>5</b>	<b>2</b>
<b>Range of 6 Select Multi-factor Indexes</b>	<b>2-8</b>	<b>0-10</b>	<b>0-3</b>
<b>WI Fidelis Multi-Cap Multi-Factor Index</b>	<b>8</b>	<b>16</b>	<b>7</b>

Data obtained from online investment methodology documents provided by the index provider or product sponsor. It is believed to be reliable, but reliability cannot be guaranteed. The weightings for each component of Value, Quality and Momentum for the WI Fidelis Index are available through our methodology document at <https://www.solactive.com/indices/?index=DE000SLOFE03#documents>

In conclusion, the WI Fidelis Multi-Cap Multi-Factor Index is like a SmartBeta or Enhanced Index designed specifically for investors that appreciate faith and/or investment science. We envision the WI Fidelis Index becoming the standard for benchmarking diversified faith-based and factor-based equity portfolios.

August 23, 2022 Inspire Investing launched an ETF with a mandate of replicating the WI Fidelis Index— NYSE ticker: FDLS.

Wallick Investments utilizes FDLS as a core equity holding for all client accounts.

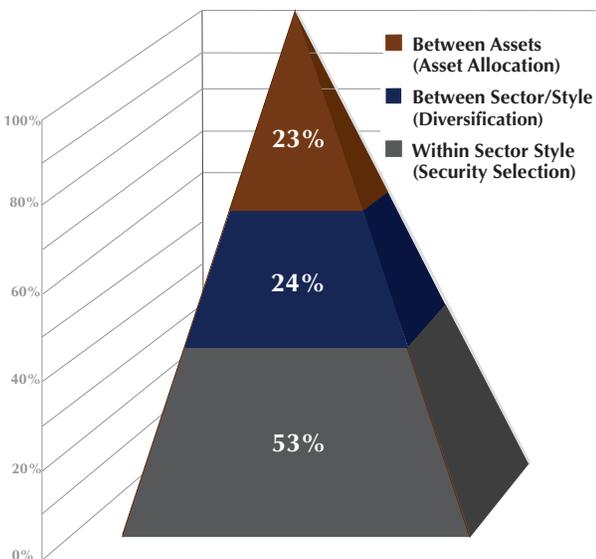
*Please note: Wallick Investments, LLC receives a licensing fee associated with assets invested in FDLS ETF.*

# Investment philosophy

Wallick Investments believes management, based on a disciplined, well-researched, repeatable plan, adhered to over an investment cycle (usually around 5 years), can add significant value. Our experience and academic research has shown, the three most important components of portfolio management and overall performance include **asset allocation, sector diversification and security selection.**

Unlike most investment firms which emphasize one component, such as asset allocation almost exclusively, Wallick Investments believes all three components are essential.

We provide our client portfolios with multi-dimensional diversification.



Contributors to overall performance.

Data shown: Annualized performance from March 2009 to June 2022

**Asset allocation:** 13.87% between assets representing 23% of potential total added value

- US Stocks (12.43%)
- Bonds (1.49%)
- Cash (0.46%)
- Commodities (-1.49%)

**Sector/style diversification:**

14.12% between sectors representing 24% of potential total added value

- Healthcare (14.52%)
- Consumer Staples (10.51%)
- Consumer Discretionary (13.59%)
- Technology (17.25%)
- Utilities (9.95%)
- Energy (3.14%)
- Basic Materials (8.08%)
- Telecommunications (3.72%)
- Financials (11.58%)
- Developed International Markets (5.40%)
- Emerging International Markets (2.44%)

**Security selection:** 31% is the average of the figures listed below which is the difference between the bottom of the top quartile (25th percentile) vs. the top of the fourth quartile (75th percentile) for each sector. This represents 53% of potential total added value.

- Healthcare (44.63%)
- Consumer Staples (32.80%)
- Consumer Discretionary (20.98%)
- Technology (44.63%)
- Utilities (13.42%)
- Energy (34.13%)
- Basic Materials (31.46%)
- Telecommunications (43.71%)
- Financials (10.24%)
- Industrials (26.74%)

# Asset allocations, core holdings and benchmarks

Aggressive	Strategic weight	Core ETF holdings	Tactical weights	B'mark
<b>Stocks</b>	85%	FDLS	70-100%	85%
<b>Bonds</b>	7%	AGG	0-30%	7%
<b>Other/Cash</b>	8%	DJP/BIL	0-30%	8%

## The Aggressive allocation strategy

objective is to maximize total return. It is expected to be about 85% as volatile as overall stock market and to outperform its benchmark.

M. Aggressive	Strategic weight	Core ETF holdings	Tactical weights	B'mark
<b>Stocks</b>	75%	FDLS	60-90%	75%
<b>Bonds</b>	17%	AGG	10-40%	17%
<b>Other/Cash</b>	8%	DJP/BIL	0-30%	8%

## The Moderately Aggressive

**allocation strategy** objective is to emphasize total return with growth and modest income. It is expected to be about 75% as volatile as the overall stock market and to outperform its benchmark.

M/Balanced	Strategic weight	Core ETF holdings	Tactical weights	B'mark
<b>Stocks</b>	60%	FDLS	45-75%	60%
<b>Bonds</b>	32%	AGG	30-60%	32%
<b>Other/Cash</b>	8%	DJP/BIL	0-30%	8%

## The Moderate/Balanced allocation

**strategy** objective is to balance growth and income. It is expected to be about 60% as volatile as overall stock market and to outperform its benchmark.

Conservative	Strategic weight	Core ETF holdings	Tactical weights	B'mark
<b>Stocks</b>	45%	FDLS	30-60%	45%
<b>Bonds</b>	47%	AGG	40-70%	47%
<b>Other/Cash</b>	8%	DJP/BIL	0-30%	8%

## The Conservative allocation strategy

objective is income with limited volatility. It is expected to be about 45% as volatile as overall market and to moderately outperform inflation.

Defensive	Strategic weight	Core ETF holdings	Tactical weights	B'mark
<b>Stocks</b>	35%	FDLS	20-50%	35%
<b>Bonds</b>	57%	AGG	50-80%	57%
<b>Other/Cash</b>	8%	DJP/BIL	0-30%	8%

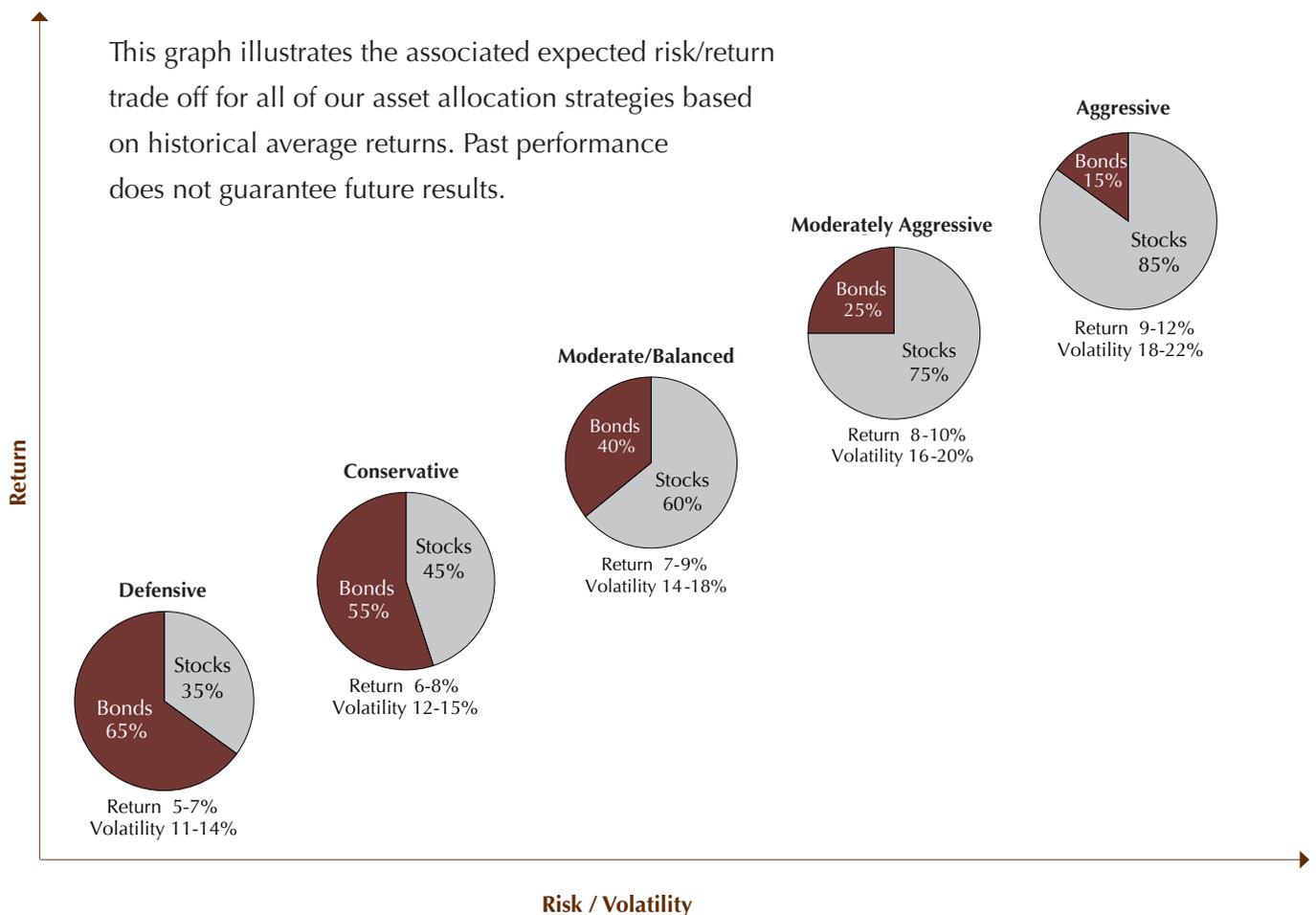
## The Defensive allocation strategy

objective is capital preservation with modest total return. It is expected to be about 35% as volatile as the overall market and to slightly outperform inflation.



Clients' asset allocation strategies (page left) are based on their individual risk tolerances and time horizons as defined by a questionnaire and client input. Each allocation strategy defines a range of weightings for each asset class (stocks, bonds, other/cash). Within each allocation strategy, Wallick Investments diversifies most clients' holdings between our tactical asset allocation portfolio, a multi-factor strategic (core) equity portfolio (WI Fidelis), a tactical equity portfolio (WI Excelsis) and our WI Bond portfolio.

Descriptions and the security selection process for each equity portfolio can be found on pages 13–15. The following are allocation strategy approaches for various portfolios—given a clients' risk tolerance and time horizon.



# Tactical allocation and factor exposure

Wallick Investments' tracks both market and economic indicators to identify early warning signs of potential "bear" markets and shifts in market style/factor preferences. We utilize these indicators to make tactical adjustments to asset allocation (up to 15% of a client's portfolio) and equity factor rotation (between 0 and 30%). We may also make tactical allocations to international, small/mid cap stocks and commodities.

Our primary indicators are listed below but are subject to change based on available research.

## Leading Economic Indicators

*Published by US Economic Conference Board*

10 Individual Economic Indicators

## National Activity Index

*Published by the Chicago Federal Reserve Bank*

85 Individual Economic Indicators

## Probability of Recession

*Published by the St. Louis Federal Reserve Bank*

4 Individual Economic Indicators

## Financial Conditions Index

*Published by the Chicago Federal Reserve Bank*

105 Individual Economic Indicators

## Financial Stress

*Published by the St. Louis Federal Reserve Bank*

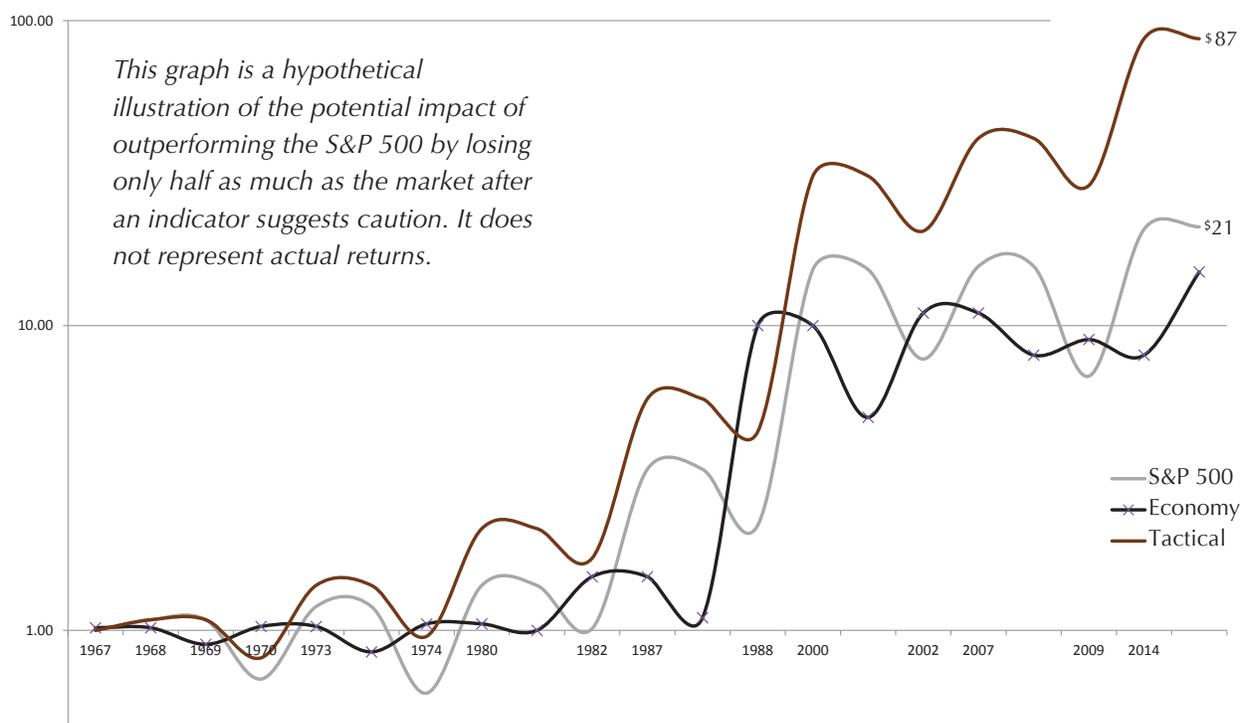
18 Individual Economic Indicators

## US Current Account Balance

*Published by Bureau of Economic Analysis*

## Market Sentiment Indicators

"Fear" Index (VIX) and market valuations





# Investment strategy: WI Tactical Asset Allocation

Investment manager:



Dan Wallick, Wade Stinnette, Jake Wallick

<b>Asset Class &amp; Objective</b>	The WI Tactical Asset Allocation overall portfolio style is best defined as tactical. The Asset Allocation Model's goal is to outperform its benchmark in all market environments. WI Tactical Asset Allocation portfolio is a dynamic holding consisting of securities representing high-level assets best suited for the current business cycle based on macro-economic data.
<b>Strategy Custom Benchmark</b>	92% iShares US Aggregate Bond Fund (AGG) / 5% Barclays iPath DJ UBS Commodities ETF (DJP) / 3% SPDR Barclays 1 – 3 month T-Bill ETF (BIL)
<b>Single Strategy Benchmark</b>	Not Applicable
<b>Style Factors</b>	WI Tactical Asset Allocation portfolio will rely on index funds to overweight desired assets. This portfolio may include Inspire Fidelis ETF (FDLS) as its equity allocation.
<b>Portfolio Characteristics</b>	<ul style="list-style-type: none"> <li>■ Less than 25 holdings</li> <li>■ Complies with WI faith-based and biblically responsible investment guidelines</li> </ul> <p>May include exposure to:</p> <ul style="list-style-type: none"> <li>■ Stocks</li> <li>■ Bonds</li> <li>■ Commodities</li> <li>■ Managed futures</li> </ul>
<b>Investment Process</b>	Wallick Investments' security selection process evaluates current macro-economic data listed on the previous page to determine which, if any, asset class to overweight.
<b>Sell Discipline</b>	<ul style="list-style-type: none"> <li>■ A change in macro-economic data</li> </ul>
<b>Risk Management</b>	<ul style="list-style-type: none"> <li>■ The standard deviation for this portfolio will customarily range between 5 to 15.</li> </ul>



# Investment strategy: WI Fidelis

Investment manager:



Dan Wallick, Wade Stinnette, Jake Wallick

<p><b>Asset Class &amp; Objective</b></p>	<p>WI Fidelis' overall portfolio style is best defined as Multi-Cap Blend with a concentration on capital appreciation and income. WI Fidelis' goal is to outperform its benchmark in all market environments. WI Fidelis portfolio is a core, "all-weather" strategic holding consisting of the Inspire Fidelis Multi-factor ETF (NYSE: FDLS) which holds 80-100 stocks, providing multi-dimensional diversification, including high exposure to the style factors Quality, Value and Momentum, all of which have shown a tendency to outperform the overall market in the long run. The actual weightings at ETF launch were 34% Quality, 33% Value and 33% Momentum. Holdings are rebalanced and reconstituted quarterly. For more information, visit <a href="http://WIFidelisIndex.com">WIFidelisIndex.com</a>.</p>
<p><b>Strategy Custom Benchmark</b></p>	<p>48% Vanguard 500 Index (VFIAX) / 22% Russell 1000 Value Index (IWD) / 15% Vanguard Small-Cap Index (VSMAX) / 10% Vanguard FSTE All-World ex-US Index (VFWIX) / 5% Vanguard Mid-Cap Index (VIMAX)</p>
<p><b>Single Security Index</b></p>	<p>Russell 3000 / iShares Russell 3000 (IWB)</p>
<p><b>Factor Benchmark</b></p>	<p>Russell 1000 Comprehensive Factor Index / Xtrackers Russell US Multifactor ETF (DEUS)</p>
<p><b>Portfolio Characteristics</b></p>	<ul style="list-style-type: none"> <li>■ One ETF composed of 80-100 securities</li> <li>■ Diversified multi-factor exposure</li> <li>■ Diversified equity style exposure</li> <li>■ Diversified equity sector/industry exposure</li> <li>■ Minimum of 40% of the largest stocks meeting our investment screening criteria</li> <li>■ Maximum of 35% International ADRs</li> <li>■ Complies with WI faith-based and biblically responsible investment guidelines</li> </ul>
<p><b>Investment Process</b></p>	<p>See page 7 for Factor percentage inputs and Sector/Industry inputs</p>
<p><b>Sell Discipline</b></p>	<ul style="list-style-type: none"> <li>■ Quarterly rebalancing and reconstitution based on WI Fidelis Index methodology</li> </ul>
<p><b>Risk Management</b></p>	<ul style="list-style-type: none"> <li>■ Strictly defined by WI Fidelis Index methodology</li> </ul>



# Investment strategy: WI Excelsis

Investment manager:



Dan Wallick, Wade Stinnette, Jake Wallick

<p><b>Asset Class &amp; Objective</b></p>	<p>WI Excelsis' overall portfolio style is best defined as Multi-Cap Blend. WI Excelsis consist of stocks with high exposure to the same factors as WI Fidelis, however, WI Excelsis will make tactical adjustments in order to attempt to increase risk-adjusted return.</p>
<p><b>Strategy Custom Benchmark</b></p>	<p>48% Vanguard 500 Index (VFIAX) / 22% Russell 1000 Value Index (IWD) / 15% Vanguard Small-Cap Index (VSMAX) / 10% Vanguard FSTE All-World ex-US Index (VFWIX) / 5% Vanguard Mid-Cap Index (VIMAX)</p>
<p><b>Single Security Index</b></p>	<p>Inspire Fidelis Multi-factor ETF (FDLS)</p>
<p><b>Factor Benchmark</b></p>	<p>Russell 1000 Comprehensive Factor Index / Xtrackers Russell US Multifactor ETF (DEUS)</p>
<p><b>Portfolio Characteristics</b></p>	<ul style="list-style-type: none"> <li>■ 50 – 75 positions</li> <li>■ Diversified multi-factor exposure</li> <li>■ Diversified equity style exposure</li> <li>■ Diversified equity sector/industry exposure</li> <li>■ Minimum of 40% Large-Cap</li> <li>■ Medium turnover of 75% – 100% per year</li> <li>■ Complies with WI faith-based and biblically responsible investment guidelines</li> </ul>
<p><b>Investment Process</b></p>	<p>Wallick Investments' security-selection process screens a universe of over 9,100 stocks based on a proprietary weighting of each of the equity style factors. After initial screening, additional qualitative research and ensuring compliance with our ethical filters, portfolio managers select highly-ranked stocks for the best combination of investments across sectors and the total portfolio. WI portfolio managers will make tactical adjustments to equity exposure, sectors and factors in an attempt to maximize risk-adjusted return.</p>
<p><b>Sell Discipline</b></p>	<ul style="list-style-type: none"> <li>■ Over valuation without strong earnings momentum</li> <li>■ Deteriorating earnings momentum without high valuations to price</li> <li>■ A negative change in a companies corporate or moral stewardship</li> <li>■ On-going monitoring of each investment to confirm continuing qualification</li> <li>■ Higher ranking choice</li> </ul>
<p><b>Risk Management</b></p>	<ul style="list-style-type: none"> <li>■ Beta will range between 0.65 – 1.35, depending on macro-economic data and market conditions</li> <li>■ Sectors adjusted based on sector and factor based data</li> <li>■ Standard Deviation and Beta controls based on macro-economic data</li> </ul>



## Our Strategic Moral History

The Wallick Investments team desires to be a force for good in all we do. In our professional lives, this is wrapped up in Strategic Moral Investing. It is our love of God, who first loved us, that fuels our passion for investment success for our clients. Our long-term investment performance and academic research supports our belief that an investor does not have to compromise his/her values in order to achieve exceptional investment results.

Strategic Moral Investing (SMI) has been a core component of who we are since the firm's inception. In 2005, we were limited to informal screening, eliminating companies based on individual security research. Since June of 2013, by leveraging filtering databases, Wallick Investments eliminates from consideration companies that purposely and significantly profit from: abortion, contraception, predatory lending, bio-engineering or companies that significantly promote activities in opposition to traditional family values, such as pornography.

April 2016, Wallick Investments created a portfolio of companies that not only meet our moral filtering criteria, they also do not profit from activities susceptible to addiction such as alcohol, tobacco and gambling, and demonstrate a commitment to the Christian investing principles of subsidiarity, solidarity and religious liberty. As of March 31, 2021, all Wallick Investments equity portfolios meet this higher level of screening for both violations and excellence— i.e., Wallick Investments eliminates from consideration all companies with a negative Inspire Social Impact Score (see page 18).

## What is Strategic Moral Investing (SMI)?

*Strategic Moral Investing is a disciplined, factor-based investment process designed to achieve exceptional performance without moral indifference.*

- It is an academically-tested and technologically-enabled, repeatable process of integrating Biblical principles with skilled investment management;
- an inspired defense of life-affirming corporate leadership in a proven, proprietary way;
- based on a belief that neither investment returns nor moral values need be compromised;
- and is faith and reason in action.



## Why SMI?

Like family life, economic life is one of the chief areas where we live out our faith, love our neighbor, confront temptation, fulfill God’s creative design, and grow in holiness. Our economic activity in factory, field, office, or shop feeds our families—or feeds our anxieties. It exercises our talents—or wastes them. It raises our hopes—or crushes them. It brings us into cooperation with others—or sets us at odds.

*As a key component of our economic lives, our investments either further **endear** us to or **estrangle** us from our awesome loving God.*

## Consumer vs. owner

Is it hypocrisy to utilize a streaming service for family movie night, yet exclude that company from an investment portfolio?

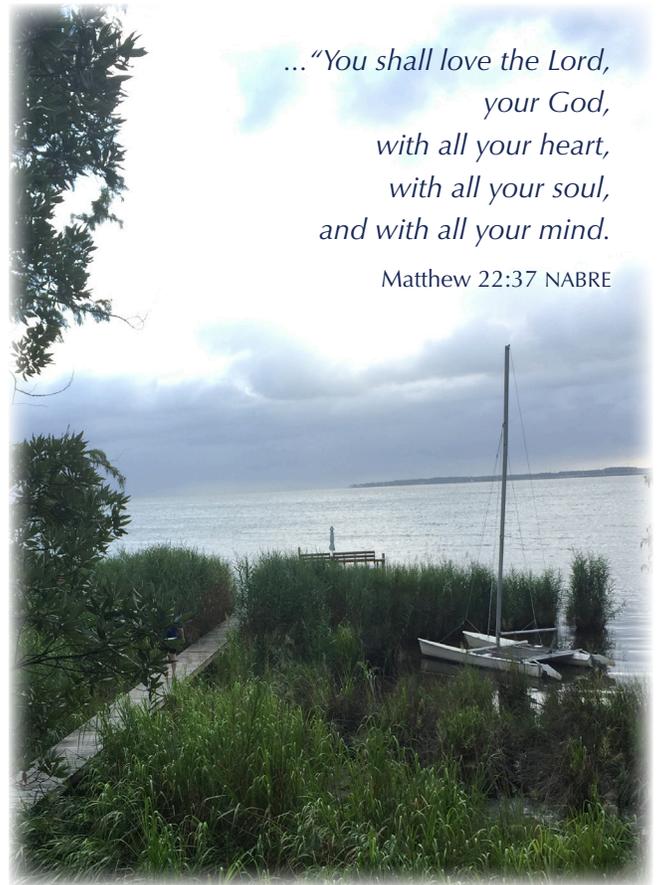
The answer is rooted in the biblical principle of being in the world but not of it.

As consumers, we are morally responsible for the products and services we buy and how we use them— i.e., the kind of movies we stream. Investors (owners) are morally responsible for the profits they are earning and how they are earned— i.e., profiting from pornography on a streaming service.

This is the example Jesus left us with His life, to associate with the world but avoid participating with its sin.

[inspireinvesting.com/post/is-biblically-responsible-investing-hypocritical](https://inspireinvesting.com/post/is-biblically-responsible-investing-hypocritical)

*“If you don’t have integrity, you have nothing. You can’t buy it. You can have all the money in the world, but if you are not a moral and ethical person, you really have nothing.”  
Henry Kravis - Co-founder, co-chairman and co-chief executive officer of KKR*



*...“You shall love the Lord,  
your God,  
with all your heart,  
with all your soul,  
and with all your mind.*

Matthew 22:37 NABRE



# Faith-based investing process

As part of our investment discipline, Wallick Investments eliminates companies with a negative Inspire Impact Scores from our equity portfolios. See Inspires' Impact score process below.



## Performance Review

4th Quarter (Sept. 30, 2021 – Dec. 31, 2021)

Account	This Qtr.	YTD	Since Inception	Allocation Benchmark*	This Qtr.	YTD	Since Inception
Client name IRA	↑ X.X %	↑ X.X %	↑ X.X %	Growth	↑ X.X %	↑ X.X %	↑ X.X %

\*See below for Custom Allocation Benchmark details

### Composite/Model Performance

Wallick Investments' Portfolio Composites	This Qtr.	YTD	Annualized Since Inception	Index**	This Qtr.	YTD	Annualized Since Inception
WI Tactical Allocation Model	↓ x.xx %	↑ x.xx	↑ x.xx	Equity <sup>1</sup>	↑ x.xx	↑ x.xx	↑ x.xx
WI Bonds Composite	↑ x.xx	↑ x.xx	↑ x.xx	Equity <sup>2</sup>	↑ x.xx	↑ x.xx	↑ x.xx
WI Fidelis Composite	↑ x.xx	↑ x.xx	↑ x.xx	Equity <sup>3</sup>	↑ x.xx	↑ x.xx	↑ x.xx
WI Excelsis Model	↑ x.xx	↑ x.xx	↑ x.xx	Equity <sup>4</sup>	↑ x.xx	↑ x.xx	↑ x.xx

\*\*See below for Index details

#### \* Custom Allocations Benchmarks

Aggressive: 41% Vanguard 500 Index / 4% Vanguard Mid-Cap Index / 12% Vanguard Small-Cap Index / 19% Russell 1000 Value Index / 9% Vanguard FSTE All World ex-US Index / 5% Hedge / 7% Aggregate Bond Index / 3% Barclays 1 – 3 Month T-Bill

Moderately Aggressive: 36% Vanguard 500 Index / 4% Vanguard Mid-Cap Index / 10% Vanguard Small-Cap Index / 17% Russell 1000 Value Index / 8% Vanguard FSTE All World ex-US Index / 5% Hedge / 17% Aggregate Bond Index / 3% Barclays 1 – 3 Month T-Bill

Moderate/Balanced: 29% Vanguard 500 Index / 4% Vanguard Mid-Cap Index / 8% Vanguard Small-Cap Index / 13% Russell 1000 Value Index / 6% Vanguard FSTE All-World ex-US Index / 5% Hedge / 32% Aggregate Bond Index / 3% Barclays 1 – 3 Month T-Bill

Conservative: 22% Vanguard 500 Index / 2% Vanguard Mid-Cap Index / 6% Vanguard Small-Cap Index / 10% Russell 1000 Value Index / 5% Vanguard FSTE All-World ex-US Index / 5% Hedge / 47% Aggregate Bond Index / 3% Barclays 1 – 3 Month T-Bill

Defensive: 17% Vanguard 500 Index / 2% Vanguard Mid-Cap Index / 4% Vanguard Small-Cap Index / 8% Russell 1000 Value Index / 4% Vanguard FSTE All World ex-US Index / 5% Hedge / 57% Aggregate Bond Index / 3% Barclays 1 – 3 Month T-Bill

#### \*\*Composite / Model Index Benchmarks

1. WI Tactical Asset Allocation Model: 92% iShares Barclays US Aggregate Bond Fund / 5% Barclays iPath DJ UBS Commodity TR ETF / 3% SPDR Barclays 1 – 3 Month T-Bill ETF

2. WI Bonds Composite: 100% iShares Core Aggregate US Bond Market

3. WI Fidelis Composite: 48% Vanguard 500 Index / 5% Vanguard Mid-Cap Index / 15% Vanguard Small-Cap Index / 22% Russell 1000 Value Index / 10% Vanguard FSTE All World ex-US Index

4. WI Excelsis Model: 48% Vanguard 500 Index / 5% Vanguard Mid-Cap Index / 15% Vanguard Small-Cap Index / 22% Russell 1000 Value Index / 10% Vanguard FSTE All World ex-US Index

SAMPLE



# WALLICK INVESTMENTS, LLC

RIA ■ Strategic Moral Investing

## Our logo

Wallick Investments uses multiple investment strategies, relying heavily on quantitative analysis of data. The “mark” (image) of the logo contains two distinct investment indicator graphics. The sepia swish with an upward arrow denotes where in a stock’s “earnings surprise” cycle it is most advantageous to invest. The “x” axis vector represents risk. The “y” axis vector represents return. The bisecting ray headed out of the top left quadrant is where the firm and the investor aspires to be— the greatest amount of return with the least amount of risk. The mark itself (in the shape of a quadrant) is also placed in the top left quadrant of the logo to reiterate the objective: more return with less risk.

## Wallick Investments’ fees

At Wallick Investments, we endeavor to earn our fees by:

- Filtering all equity portfolios for compliance with Christian values
- Developing and managing factor-based equity portfolios
- Making prudent tactical asset allocation decisions
- Making data-driven, factor-rotation decisions
- Providing non-emotional financial counsel
- Providing transparent reporting

Individual fees are based on a client’s risk tolerance and assets they have placed under management at Wallick Investments. The Wallick Investments’ maximum fee schedule is as follows:

Assets managed	Aggressive	Moderately Aggressive	Moderate/Balanced	Conservative	Defensive
< \$250,000	1.40%	1.40%	1.40%	1.35%	1.30%
\$250,000 – 499,999	1.25%	1.20%	1.15%	1.10%	1.05%
\$500,000 – 999,999	1.00%	0.95%	0.90%	0.85%	0.80%
> \$1,000,000	0.80%	0.75%	0.70%	0.65%	0.60%

### 401K Plan Fees

Wallick Investments Models: 1.0%

Portfolios of accounts or ETFs: .60% ■ Individual fund or ETF: .35%

- Individual custodians may impose additional charges.



# Frequently asked questions

## What is an RIA firm?

RIA (Registered Investment Advisor) refers to a firm in the business of managing investments or giving investment or financial planning advice. An individual who works for an RIA is known as an Investment Advisor Representative (IAR). Depending on an RIA's assets under management, the firm is required to register with either the US Securities and Exchange Commission (SEC) or with a state's securities division. Wallick Investments is registered with the South Carolina Attorney General's Office and licensed in North Carolina as well. Wallick Investments, LLC is an RIA firm specializing in building, implementing and managing investment portfolios with integrity and professional excellence.

## How is an RIA different from a brokerage firm?

RIAs are paid a percentage of the value of the assets they manage for clients, an hourly fee or a fixed fee. A brokerage firm is usually paid by commissions for trades and transfer payments from mutual funds and/or insurance companies based on the products sold. Instead of legally adhering to the same "suitability" standard a brokerage firm and its financial advisors must uphold, an RIA and its IARs must adhere to a fiduciary standard of care laid out in the US Investment Advisers Act of 1940. This stricter standard requires an RIA to provide additional transparency and its employees must act and serve a client's best interests with the intent to eliminate, or at least to expose, all potential conflicts of interest which might incline an investment advisor consciously or unconsciously—to render advice which is not in the best interest of the client.

## Are our accounts safe?

Wallick Investments, LLC and our custodian(s) have established policies and procedures and take significant precautions in order to protect ourselves and our clients against data theft. These precautions include equipping all computers with firewalls and security software, avoiding the use of wireless internet connections when possible, using Secure Socket Layer (SSL) technology encryption, restricting access to information, not releasing information to any outside parties not legally requiring such information and maintaining all client files in locked and fireproof safes. Clients also have protection against custodian financial collapse through Securities Investor Protection Corporation (SIPC) insurance and additional account protection through underwriters at Lloyd's of London.

## Separate accounts vs. mutual funds

A **mutual fund** is a pooled account. Many investors own a portion of one fund. When the fund manager makes a change, it affects all the investors. When investors buy or sell large quantities of a fund, it forces the manager to make large purchases or sales of securities he/she may not believe is best for the fund. The manager earns a fee for managing the fund and because most mutual funds are sold through a financial advisor, the advisor and their firm also receive compensation. This is usually accomplished through an advisory fee, a load (an up-front mutual fund fee) or increased management fees which are shared with the advisor and their firm. With **separate accounts**, investors own a portfolio of securities which are individually managed by the portfolio manager. The manager has the ability to make changes to individual accounts without affecting other clients' accounts. The manager earns a fee for managing the accounts. If there is an outside advisor involved, they also receive compensation, usually in the form of an advisory fee.



# WALLICK INVESTMENTS, LLC

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Portrait: ©Callie G Photography

Sunset: ©RIMPhotography.com

Stock photography: ©istockphoto.com

Inspire Impact Score illustration:

<https://www.inspireinvesting.com/download/the-inspire-impact-score-methodology-flyer>

[www.WallickInvestments.com](http://www.WallickInvestments.com)

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